

SENATE BILL No. 391

DIGEST OF INTRODUCED BILL

Citations Affected: IC 36-7-25-6.

Synopsis: Property tax liens in tax allocation areas. Provides that the payment obligations of a taxpayer that: (1) is located in a property tax allocation area established by a redevelopment commission; and (2) enters into an agreement after June 30, 2003, with the redevelopment commission that protects the bond or lease obligations of the commission; are enforceable in the same manner as property taxes regardless of whether the agreement provides for a property tax lien. For agreements made before July 1, 2003, retains existing law that provides that the obligations are enforceable in the same manner as property taxes if the agreement provides for a property tax lien. For agreements providing for a lien, specifies that the lien attaches to the property and attaches on the date specified in the agreement. For agreements not providing for a lien but to which a lien applies under the new provisions, provides that the lien attaches: (1) to the taxpayer's real property in the allocation area; (2) to depreciable personal property in the area if a resolution has been adopted to include taxes on such property as part of the taxes allocated in the area; and (3) on the date the agreement was executed. Specifies that an allowable lien attaches without further action by the commission unless an agreement provides otherwise.

Effective: July 1, 2003.

Dillon

January 16, 2003, read first time and referred to Committee on Judiciary.



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First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

SENATE BILL No. 391

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 36-7-25-6 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 6. **(a)** A commission
3 may enter into an agreement with a taxpayer in an allocation area that
4 limits the taxpayer's rights to challenge the taxpayer's assessment or
5 property taxes or that guarantees, enhances, or otherwise further
6 secures bonds or lease obligations of the commission. ~~The~~
7 **(b) This subsection applies to an** obligation to make payments
8 under a taxpayer agreement ~~or any amendment to an agreement that~~
9 ~~guarantee, enhance is made under subsection (a) before July 1, 2003,~~
10 **and that guarantees, enhances,** or otherwise further ~~secure~~ secures
11 bonds or lease obligations of the commission. ~~under this section~~ **An**
12 **obligation described in this subsection** shall be **secured by, be**
13 treated in the same manner as, **and have the same priority as** property
14 taxes for purposes of IC 6-1.1-22-13 if, and to the extent that, the
15 taxpayer agreement ~~or amended agreement~~ provides for a property
16 tax lien. **The property tax lien attaches to the property specified in**



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the agreement and is effective as of the date specified in the agreement. If the property to which the lien attaches or the effective date of the lien is not specified in the agreement, the property tax lien attaches to the taxpayer's property in the manner and at the time specified in subsection (c). A lien under this subsection attaches on the effective date of the lien, as determined under this subsection, without any further action by the commission unless further action is required by the agreement.

(c) This subsection applies to an obligation to make payments under a taxpayer agreement or any amendment to an agreement that is made under subsection (a) after June 30, 2003, and that guarantees, enhances, or otherwise further secures bonds or lease obligations of the commission. An obligation described in this subsection shall be secured by, be treated in the same manner as, and have the same priority as property taxes for purposes of IC 6-1.1-22-13 regardless of whether the agreement provides for a property tax lien. If the agreement provides for a property tax lien, the lien attaches to the property specified in the agreement and is effective as of the date specified in the agreement. If the property to which the lien attaches or the effective date of the lien is not specified in the agreement, or if the agreement does not provide for a property tax lien, a property tax lien attaches:

- (1) to the real property of the taxpayer located in the allocation area;
 - (2) to depreciable personal property located in the allocation area, if and to the extent that the definition of "property taxes" under IC 36-7-14-39(a) or IC 36-7-15.1-26(a) has been modified in a resolution to include taxes imposed under IC 6-1.1 on depreciable personal property, as allowed under IC 36-7-14 or IC 36-7-15.1, whichever applies; and
 - (3) on the date the agreement or amendment was executed;
- without any further action by the commission unless further action is required by the agreement.

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